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9 An individual and d/b/a Gotham Garage  
10

11 UNITED STATES DISTRICT COURT  
12 CENTRAL DISTRICT OF CALIFORNIA  
13

14 DC Comics,

15 Plaintiff,

16 v.

17 Mark Towle, an individual and d/b/a  
18 Gotham Garage, and Does 1 – 10,  
19 inclusive,

20 Defendants.  
21  
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23  
24  
25  
26  
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28

Case No. CV11-3934 RSWL (OPx)

DEFENDANT'S REPLY BRIEF IN  
SUPPORT OF MOTION FOR  
PARTIAL SUMMARY JUDGEMENT

Date: January 30, 2013  
Time: 10:00 a.m.  
Courtroom: 21

Trial Date: March 26, 2013  
Pre-Trial Conference: March 12, 2013  
Discovery Cut-Off: November 27, 2012

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## I. INTRODUCTION

Defendant was sued for infringing 35 of DC's copyrights, referred to as the "DC Comics Copyrighted Designs". These copyrights are listed on Exhibit A to the First Amended Complaint. These 35 copyrights are the only copyrights that are at issue in this case. DC did not sue defendant for infringing the Warner Brothers Copyrighted Designs or the Twentieth Century Fox Copyrighted Designs. Nor did the FAC put Defendant on notice that DC was claiming infringement of some "to be identified" list of the 10,000 or so copyrights it owns. From the outset of this lawsuit, DC has taken the position that the copyrights listed on Exhibit A stated a claim of copyright infringement against Defendant. They took this position not only in conversations with defendant's counsel, but in numerous court filings. It was only after the deposition of Jay Kogan in which Mr. Kogan was forced to admit that none of the 35 copyrights on Exhibit A were actually infringed by Defendant, that DC abruptly changed their entire case strategy and asserted that they were always claiming infringement of the TV show and 1989 movie. However, as the facts clearly show that this is not the case, and as the law required DC to identify the copyrights at issue in the FAC, and as Defendant did not infringe any of the 35 copyrights listed on Exhibit A, summary judgment on the issue of copyright infringement should be granted.

With regard to the claim of trademark infringement, it is undisputed that DC not only knew of Defendants activities in 2003 but also actually had a telephone

1 conversation with him in which no attempt was made to tell him that DC believed  
 2 that his actions infringed their rights. Furthermore, despite the fact that Defendant  
 3 has been selling replica Batmobile's for over 10 years, DC has been unable to show  
 4 any damages incurred as a result of Defendants activities. As these facts plainly  
 5 show that it would be inequitable to award any damages to DC and as Defendant has  
 6 agreed from the outset of this case to stop using DC's marks (and has stopped such  
 7 use) there are no remaining issues to be resolved with regard to the trademark  
 8 infringement claim.  
 9  
 10  
 11

## 12 **II. DC DOES NOT OWN THE RIGHTS TO THE LINCOLN FUTURA**

13 The Batmobile is a famous car. So is the Aston Martin used by James Bond in  
 14 *Goldfinger*, Steve McQueen's Mustang from *Bullitt*, and the DeLorean used as a time  
 15 machine in the *Back To The Future* movies. DC's argument is that because the car is  
 16 famous, they own the underlying design rights. This argument is not supported by  
 17 any existing case law. The only right that DC may own is the right to sell the car  
 18 under the name "Batmobile." But they do not own the design rights to the car itself  
 19 because they did not design it.  
 20  
 21

22 The 1966 Batmobile is a Lincoln Futura (a one-off concept car created in 1955).  
 23 DC did not create the Lincoln Futura nor could the design of the Lincoln Futura be  
 24 copyrighted. The fact that the Lincoln Futura became more famous<sup>1</sup> after appearing  
 25  
 26  
 27

---

28 <sup>1</sup> The Lincoln Futura was actually famous prior to becoming the Batmobile. It had appeared in the 1959 Debbie Reynolds-Glenn Ford movie *It Started With A Kiss*, on

1 in the Batman TV series does not bestow some special rights on DC that would allow  
 2 it to enjoin defendant from making his own copies of the Lincoln Futura.  
 3

4 Under DC's theory, if in the next Batman movie, Batman drives a Prius but calls  
 5 it "the Batmobile", then DC would own the copyright to the Prius. This is obviously  
 6 not the law. By calling the Lincoln Futura "the Batmobile" DC did not obtain the  
 7 copyright to the car itself.  
 8

9 **III. DC HAS NOT PRESENTED EVIDENCE SHOWING THAT IT OWNS**  
 10 **THE DESIGN RIGHTS TO THE 1966 BATMOBILE OR THE 1989**  
 11 **BATMOBILE**

12 Even assuming, *arguendo*, the Lincoln Futura or George Barris' modifications to  
 13 the car were copyrightable, DC has not produced any evidence that proving it owns  
 14 such rights. DC repeatedly states in their motion papers that that "all copyright and  
 15 trademark rights to the 1966 Batmobile were retained by DC Comics." However, the  
 16 evidence unequivocally contradicts this statement. The exhibits DC uses to support  
 17 this statement are the 1965 contract between George Barris, 20th Century Fox, and  
 18 Greenway Productions at paragraph 7 (Ex. 14) and the 1966 contract between  
 19 National Periodicals, Fox, Greenway and Barris at ¶1 (Ex. 15) (See DC's SS at #20).  
 20  
 21

22 Yes, ¶1 of the 1966 contract contains a preamble that states:

23 "WHEREAS, NATIONAL PERIODICAL PUBLICATIONS, INC. is the  
 24 owner of all copyrights, trademarks and all other rights including commercial  
 25  
 26  
 27

28 the cover of Life magazine and there were toy model kits of the Futura in the 1950's.  
 Zerner Decl. ¶9-10.

1 and exploitive rights to the feature, BATMAN, and to all the contents of the  
 2 said feature, including the Batmobile”  
 3

4 But DC completely ignores paragraph 15 of the 1966 contract which states:

5 **“Notwithstanding anything to the contrary herein contained,**

6 NATIONAL PERIODICAL acknowledges that BARRIS is the owner of the  
 7 vehicle known as Batmobile I as used in the BATMAN television series and  
 8 feature motion picture and that **BARRIS, FOX and GREENWAY are the**  
 9 **joint owners of the design of said Batmobile I** as provided for in Article 7 of  
 10 that certain agreement between FOX and Greenway, and BARRIS, dated  
 11 September 1, 1965, as follows:  
 12  
 13

14 ‘7. **Any and all right, title and interest in and to the design of**  
 15 **Batmobile I** resulting from the application of the required Batmobile features  
 16 in and to Owner’s prototype Lincoln chassis, save and except the name  
 17 "Batmobile" and the Batmobile features set forth in Article 10 hereof and in  
 18 the drawings and exhibits attached hereto, and of the completed Batmobile I  
 19 provided for in Article 2 hereof, **shall forever be vested in and Owned**  
 20 **jointly by Owner and Producer,** subject only to any and all right, title and  
 21 interest of National Periodical Publications, Inc. . . . in and to said Batmobile  
 22 features in said design.’ ” (Emphasis Added)  
 23  
 24  
 25  
 26

27 The 1966 Agreement also states, at ¶9:  
 28



1           “During the term of this Agreement, and thereafter, the parties agree that  
 2           none of them will attack the rights in or title of NATIONAL PERIODICAL to  
 3           all BATMAN rights, trademarks and copyrights with the exception of the  
 4           design rights in and to the Batmobile and copies thereof as owned by  
 5           BARRIS, FOX and Greenway as described in Article 15 hereof.” Emphasis  
 6           Added.

7  
 8  
 9           How DC can look at the clear and unambiguous language of paragraphs 9 and 15  
 10          and claim that they own the design of the 1966 Batmobile is beyond the power of  
 11          Defendant to comprehend. The language plainly states that Fox, Greenway and  
 12          Barris own the design rights to the 1966 Batmobile. As DC neither owns the  
 13          copyright to the TV show nor the design rights to the 1966 Batmobile itself, it cannot  
 14          prevail in its claim of copyright infringement as it cannot prove the first element -  
 15          ownership of a valid copyright.<sup>2</sup>

16  
 17  
 18          DC poses the question as to why Barris entered into an agreement with DC to  
 19          make replica Batmobiles if he owns these rights. While it is not Defendant's job to  
 20          answer this question, it is probably due to the fact that the 1965 contract contains a  
 21          provision in which Barris agreed to obtain permission before constructing any  
 22          duplicate Batmobiles (Ex. 14, ¶11). Therefore, in a somewhat ironic state of affairs,  
 23          duplicate Batmobiles (Ex. 14, ¶11). Therefore, in a somewhat ironic state of affairs,  
 24          duplicate Batmobiles (Ex. 14, ¶11). Therefore, in a somewhat ironic state of affairs,

25  
 26  
 27          <sup>2</sup> The language that states that the agreement is subject to any right, title, and interest  
 28          of [DC] in the Batmobile features does not grant DC any rights in those features. DC  
 must still prove that it owns the underlying rights in the Batmobile features,  
 something it has been unable to do.

1 Barris became the only person who needed permission to build replica Batmobile's  
 2 once the design patent expired.  
 3

4 DC has a similar problem regarding the 1989 Batmobile in that Anton Furst  
 5 signed a contract in which he agreed that his work (to the extent that it was  
 6 copyrightable) would be owned by Warner Bros. Production Ltd. as a work for hire.  
 7 However, Warner Brothers, Inc. owns the copyright to the 1989 Batman movie and  
 8 DC has been unable to produce any evidence that shows that Furst's rights to the  
 9 1989 Batmobile were transferred from Warner Brothers Productions Limited to  
 10 Warner Bros. Inc. When the plaintiff is not the author of a work, he must provide  
 11 evidence of a chain of title from the registrant to him. *Religious Tech. Ctr. v. Netcom*  
 12 *On-Line Commc'n Services, Inc.*, 923 F. Supp. 1231, 1241 (N.D. Cal. 1995). *Motta*  
 13 *v. Samuel Weiser, Inc.*, 768 F.2d 481, 484 (1st Cir. 1985). See also 3 Melville  
 14 Nimmer & David Nimmer, *Nimmer on Copyright* at §12.11[C]. As DC has been  
 15 unable to produce the chain of title from Furst to DC, DC lacks standing to claim  
 16 copyright infringement to the design of the 1989 Batmobile as well.  
 17  
 18  
 19  
 20  
 21

22 **IV. DC REPEATEDLY ADMITTED THAT THE 35 COPYRIGHTS LISTED**  
 23 **ON EXHIBIT A WERE THE ONLY COPYRIGHTS AT ISSUE**

24 DC's argument that it should be allowed to allege the infringement of the  
 25 copyrights to the TV show and 1989 movie despite those not being mentioned in the  
 26 FAC is both troubling and disturbing. DC argues that it should be allowed to add  
 27 these copyrights to the case (without amending the complaint) because Defendant  
 28

1 asked the court to take judicial notice of the registrations for the TV show and 1989  
2 movie when it filed the motion to dismiss in December 2011. What DC omits is the  
3 context for why Defendant requested the court to take judicial notice of those  
4 registrations. Defendants moved to dismiss the FAC precisely on the grounds that the  
5 registrations that would cover the 1966 Batmobile and the 1989 Batmobile were the  
6 registrations for the movie and TV show and DC was not claiming infringement of  
7 those works in the FAC. See. Ex. 29 at p.21-25.

10 More importantly, in opposing Defendant's motion to dismiss, DC did not  
11 argue that it was claiming infringement of the TV show and 1989 movie copyrights.

13 In fact, DC argued that the copyrights for the TV show and 1989 movie were  
14 objectionable and irrelevant. Instead, DC contended that it was the owner of the  
15 Batmobile based on pre-existing rights that derived from the comic books,  
16 specifically the comic books referenced in Exhibit A to the FAC. Exhibit 30, p.33:5-  
18 10.<sup>3</sup> Had DC actually been asserting infringement of the TV show and 1989 movie  
19 copyrights from the outset of this case then, in opposing the motion to dismiss, it  
20 simply would have said so. The fact that they did not make such a statement in  
21 opposing the motion to dismiss proves this point more than any other fact.

25  
26 <sup>3</sup> "Defendant improperly attempts to introduce extrinsic evidence not properly  
27 considered on a motion to dismiss, alleging that this evidence demonstrates that  
28 Plaintiff does not own copyrights to the Batmobile . . . However, none of this  
evidence consists of registrations specifically for the Batmobile nor do any of the  
registrations [for the 1966 TV show and 1989 Movie] pre-date Plaintiff's original  
creation of the Batmobile. See id [FAC at ¶11-13]; see also FAC at ¶7 & Ex. A"

1           The other reason that we know that DC was only suing for infringement of the  
2           35 registrations referenced on Exhibit A is that when DC filed the complaint and the  
3           FAC, it simultaneously filed a “Report on the Filing or Determination of an Action  
4           or Appeal Regarding Copyright” as required by 17 U.S.C. §508. (Ex. 41 and 42) As  
5           the court is aware, when filing a complaint for copyright infringement, the plaintiff is  
6           required to complete this Report, so that the Register of Copyrights is aware of the  
7           copyrighted works involved in the lawsuit.

8           Each Report filed by DC states, “In compliance with the provisions of 17  
9           U.S.C. 508, you are hereby advised that a court action or appeal has been filed on the  
10          following copyright(s):”

11          In the Report filed with the original complaint, under “Title of Work” it states  
12          “See Attached Exhibit A”. DC then attached the same Exhibit A that was attached to  
13          the Complaint. After filing the FAC, DC filed another Report which amended the  
14          first Report. This Report states: “In the above-entitled case, the following  
15          copyright(s) have been included.” Again, under “Title of Work” DC states “See  
16          Attached Exhibit ‘A’” and this time attached the Exhibit A that was attached to the  
17          FAC. DC has not filed any further Reports in this case.

18          Factual assertions in pleadings and pretrial orders, unless amended, are  
19          considered judicial admissions conclusively binding on the party who made them.  
20          *Am. Title Ins. Co. v. Lacelaw Corp.*, 861 F.2d 224, 226 (9th Cir. 1988). The  
21          statement in the Report that the copyrights at issue in the case were the copyrights

1 listed on Exhibit A is a binding admission on DC's part as to the copyrights that are  
 2 at issue in this case.

3  
 4 Furthermore, the FAC states that all of the DC Comics Copyrighted Designs are  
 5 "wholly original with DC Comics" (§11) and that DC owns all the certificates of  
 6 registrations for works in which the DC Comics Copyrighted Designs appear (§12).  
 7 Under these facts, neither the 1966 TV show nor the 1989 movie qualify as a DC  
 8 Comics Copyrighted Design. This is a second factual assertion that DC is now  
 9 trying to take back.  
 10

11  
 12 After Jay Kogan's deposition, in which he was forced to admit that none of the  
 13 car designs and most of the separable, non-functional, artistic elements of the  
 14 Batmobiles did not derive from the comic books or were not present on Defendant's  
 15 replica, DC decided to change its' strategy, and, for the first time, claim that the TV  
 16 show and 1989 movie were also "DC Comics Copyrighted Designs" despite the fact  
 17 that they did not fit the definition that was laid out in the FAC, and were not  
 18 mentioned on Exhibit A. This is obviously improper. As DC concedes that none of  
 19 the 35 copyrights referenced on Exhibit A to the FAC were actually infringed by  
 20 Defendant, summary judgment is not just proper, it is the only possible result.<sup>4</sup>  
 21  
 22  
 23

24  
 25 <sup>4</sup> DC attempts to argue that it should be given leave to amend the complaint. It does  
 26 take a certain amount of chutzpah to argue for leave to amend the complaint after  
 27 Defendant has filed a motion for summary judgment, but DC should be aware that  
 28 the rules of liberal amendments to pleading do not apply once the scheduling order is  
 made. At that point, "good cause" must be shown. FRCP 16(b)(4)), *Johnson v.*  
*Mammoth Recreations, Inc.* (9th Cir. 1992) 975 F2d 604, 609. Further, there is no  
 pending motion to amend the complaint despite DC's awareness of this issue for  
 months and the motion cut-off occurring on December 26, 2012.

1 With regard to the issue of whether or not Defendant was prejudiced by  
 2 Plaintiff's failure to produce the copyright registrations, it is not defendant's burden  
 3 to show whether or not plaintiff's actions caused prejudice. If plaintiff does not  
 4 produce documents in accordance with FRCP 26, then they are automatically  
 5 excluded. (FRCP 37(c)(1)). That being said, because DC did not tell the Defendant  
 6 that it was claiming copyright infringement of the TV show and 1989 movie,  
 7 Defendant did not conduct any discovery toward 20 Century Fox or Warner Bros. to  
 8 determine a) their ownership of the underlying copyrights<sup>5</sup>, b) whether the designs of  
 9 the separable elements of the 1989 Batmobile were based on pre-existing elements.  
 10 For example, in Plaintiff's Exhibit A to their Motion, plaintiff included pages from  
 11 the book *Batmobile*, released in 2012. The book states that the interior of the 89  
 12 Batmobile is filled with "fighter aircraft components." Exhibit A at 1256. This  
 13 indicates that the interior of the car is not an original design but merely incorporates  
 14 elements taken from other objects. The book also states that, "The only  
 15 nonfunctioning aspect [of the car design] was the armor shielding that could  
 16 completely encase the car . . ." *Id.* (Emphasis Added.) Had DC properly put  
 17 Defendant on notice that it was claiming infringement of the TV show and the 1989  
 18 movie and not just the comic books, Defendant would have conducted discovery on  
 19 these issues. See Zerner Decl ¶4-8. But as DC was only alleging infringement of the  
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 21  
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 23  
 24  
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---

27 <sup>5</sup> The issue of ownership is especially important where, as here, the copyright  
 28 registrations for the TV show were not made within five years of publication and  
 therefore there is no *prima facie* evidence of copyright ownership.

1 comic books and as none of these elements appeared in the comic books, this  
 2 discovery was unnecessary.  
 3

4 **V. A “REPRESENTATIVE” LIST OF COPYRIGHTS WOULD BE A**  
 5 **VIOLATION OF RULE 11**

6 DC argues that the court can ignore the list of copyrights on Exhibit A as it is  
 7 merely "representative" or "illustrative." These are terms that have no meaning  
 8 when it comes to a complaint for copyright infringement. DC admits that of the 35  
 9 registrations listed on Exhibit A, defendant did not infringe at least 32 of them.<sup>6</sup> If  
 10 that is the case, then what do these registrations “represent.” Why is DC permitted to  
 11 simply attach to the complaint a random list of copyrights it owns but which have no  
 12 relevance to the case at hand? What purpose does this serve, other than to mislead  
 13 the Defendant? Why would DC be permitted to inform the Register of Copyrights  
 14 that Exhibit A represents all the copyrights at issue in the case and then take that  
 15 statement back the admission becomes inconvenient to them?  
 16  
 17

18 The court should keep in mind that DC amended Exhibit A when it filed the  
 19 FAC to add an additional 13 comic books. And that this was after a meet and  
 20 confers with Defendant’s counsel in which the issue of which copyrights were at  
 21 issue in the case was thoroughly discussed. So DC actually thought about Exhibit A  
 22 long enough to amend it when filing the FAC, took the time to add 13 additional  
 23  
 24  
 25  
 26

27 <sup>6</sup> It is unclear, but it appears that DC has actually conceded that the other three  
 28 registrations referenced in Exhibit A - *Batman* #170 and the *Batman Returns* Style  
 Guides I and II were not infringed either.

1 works to the list, but now claims that it is an insignificant piece of paper which the  
2 court should disregard when ruling on the present motion.  
3

4 Defendants burden in making this motion for partial summary judgment is not to  
5 prove that he did not infringe any of the 10,000 or so copyrights owned by DC (or  
6 any of the thousands of copyrights owned by 20th Century Fox and Warner Bros. for  
7 that matter), his only burden is to prove that he did not infringe the copyrights  
8 referenced in the FAC. Defendant has met this burden.  
9

10 Plaintiff's burden in filing a complaint for copyright infringement (and a very  
11 slight burden at that) is to notify the defendant precisely which copyrights the  
12 Plaintiff alleges were infringed. *Four Navy Seals v. Associated Press* 413 F.Supp.2d  
13 1136, 1148 (S.D. Cal 2005) *citing Gee v. CBS, Inc.*, 471 F. Supp. 600, 643 (E.D.Pa.  
14 1979) There are many reasons for this:  
15

16  
17 1. So the defendant can immediately compare the infringing work with the  
18 original work;  
19

20 2. So the defendant can determine the owner of the copyright registration;

21 3. So the defendant can determine if the copyright has expired;  
22

23 4. So the defendant can determine if the original author has recaptured the  
24 copyright to the underlying work;

25 5. So the defendant can determine if the copyright registration was timely  
26 renewed;  
27  
28



1           6. So the defendant can determine if the original work was published with a  
2 proper copyright notice;  
3

4           7. So the defendant can determine if the copyright registration was made prior to  
5 the infringement or within 90 days of publication to determine if statutory damages  
6 and attorney's fees are allowed;  
7

8           8. So the defendant can determine if the copyright was registered within five  
9 years of publication to see whether the prima facie evidence of copyright applies;  
10

11           9. So the defendant can determine if the infringed work is based upon a pre-  
12 existing work;

13           10.       So the Defendant and the court can determine if res judicata or collateral  
14 estoppel applies.  
15

16           11.       So the defendant is not forced to disprove infringement of registrations  
17 that were not infringed.  
18

19           Under DC's theory of pleading, not only it is not required to notify the defendant  
20 precisely which copyrights are at issue, it may actively mislead a copyright  
21 defendant by claiming infringement of works which it knows were not infringed and  
22 omitting the ones it actually wishes to put at issue. The ramifications of such a  
23 holding are frightening. For example, part of the analysis that a defendant must  
24 make in deciding whether to fight or settle a copyright infringement case is the  
25 possible damages. If statutory damages are available to the plaintiff, then the  
26 defendant would need to know how many works are at issue to determine the extent  
27  
28

1 of such damages. If only one work is at issue, then the defendant would be looking  
 2 at a maximum of \$30,000 in statutory damages (or \$150,000 if willful). But if the  
 3 Plaintiff may list 35 copyrights in the complaint<sup>7</sup>, even though it knows that 34 of  
 4 them were not infringed, the Defendant is now calculating possible statutory  
 5 damages of over \$1,000,000 and the Plaintiff will use this false allegation as a cudgel  
 6 to extract a higher settlement.  
 7

8  
 9 Or, a plaintiff could list copyrights registrations in the complaint that were timely  
 10 renewed, when in fact the copyrights that were actually infringed belonged to  
 11 registrations that were not renewed and fell into the public domain.  
 12

13 In fact, it is clear that in alleging the infringement of copyrights which it now  
 14 concedes were not infringed, DC has violated Rule 11<sup>8</sup> in that a) by including these  
 15 non-infringed registrations DC needlessly increased the cost of litigation as  
 16 Defendant had to expend time proving the non-infringement of these registrations  
 17 (FRCP 11(b)(1)) and included claims that did not have evidentiary support as it  
 18  
 19

20  
 21 <sup>7</sup> And if DC can list 35 irrelevant copyright registrations, what's to stop it from next  
 22 time listing 100? Or 500? How many bogus registrations can DC claim?

23 <sup>8</sup> FRCP 11(b) "Representations to the Court. By presenting to the court a pleading,  
 24 written motion, or other paper--whether by signing, filing, submitting, or later  
 25 advocating it--an attorney or unrepresented party certifies that to the best of the  
 26 person's knowledge, information, and belief, formed after an inquiry reasonable  
 27 under the circumstances:

28 (1) it is not being presented for any improper purpose, such as to harass, cause  
 unnecessary delay, or needlessly increase the cost of litigation; . . .

(3) the factual contentions have evidentiary support or, if specifically so identified,  
 will likely have evidentiary support after a reasonable opportunity for further  
 investigation or discovery; . . . ."

1 included at least 32 copyrights that it knew were not infringed (FRCP 11(b)(3))<sup>9</sup>.  
 2 These are clear violations of Rule 11 for which there is no excuse. DC apparently  
 3 believed, as is sadly true in so many of these case, that because of the disparity in  
 4 money and power between DC and Mr. Towle, simply by filing the complaint it  
 5 would be able to strong-arm Defendant into a settlement, regardless of the merits of  
 6 their claim. DC included all of the non-infringing registrations on Exhibit A in part  
 7 to argue to Defendant that it would be entitled to massive statutory damages should  
 8 the case go to trial. And indeed, the prayer of the FAC requests damages of up to  
 9 \$150,000 “for each copyrighted property infringed upon by . . . Defendant.” (FAC,  
 10 p.15:17-18).  
 11

12 Accordingly, not only is DC bound by the allegation that only the registrations  
 13 listed in Exhibit A were infringed, but the court should impose appropriate sanctions  
 14 for the clear violation of Rule 11.  
 15

16 **VI. DC ADMITS THAT THEY KNEW OF DEFENDANT’S ACTIVITIES**  
 17 **IN 2003 AND TOOK NO STEPS TO STOP HIM UNTIL 2011**  
 18

19 Defendant testified that in 2003, he received a phone call from Cindy Nelson, the  
 20 Vice-President & Senior Anti-Piracy Counsel for Warner Bros. Entertainment. Ms.  
 21 Nelson had seen a photograph of Mr. Towle’s garage that showed five(!) 1966  
 22 Batmobile replicas in various stages of creation and a shell for a 1989 Batmobile.  
 23

24  
 25  
 26  
 27 <sup>9</sup> DC also included in Exhibit B to the FAC a number of trademarks which it knew  
 28 were never at issue in this case such as Batman & Robin, Batman Beyond, Gotham  
 City, Gotham Knights and Gotham Central.

1 Ms. Nelson then asked Defendant what he was going to do with the 1989 Batmobile.  
2 Please note that this was not a random call Ms. Nelson made to a person with a 1989  
3 Batmobile shell. From the photograph, Ms. Nelson could clearly determine that  
4 Defendant was in the business of making Batmobile replicas but was only concerned  
5 with the 1989 Batmobile shell (which was still protected under the 1990 design  
6 patent). Towle Decl. ¶4. Notably, Ms. Nelson did not tell Mr. Towle to stop making  
7 Batmobiles, to stop referring to his car as a “Batmobile” or to stop using any of the  
8 DC marks in connection with his business activities.  
9

10  
11  
12 When Mr. Towle told Ms. Nelson that he won’t do anything with the 1989  
13 Batmobile shell until the design patent expires, she doesn’t respond that the 1989  
14 Batmobile is protected by copyright, the clear inference being that it was DC’s  
15 position that the design patent was the only protection for the 1989 Batmobile.  
16

17 According to the New York State Bar website, Ms. Nelson is still employed at  
18 Warner Brothers. Zerner Decl. ¶11. Had any part of Defendant’s statement been  
19 false, or if Ms. Nelson was unaware that Defendant was making 1966 Batmobile  
20 replicas when she made that call, DC certainly would have included a declaration  
21 from Ms. Nelson with their opposition. The fact that they did not include any  
22 statement from Ms. Nelson disputing the contents of the phone call is as close as an  
23 admission of knowledge as you are going to get from DC.  
24  
25

26  
27 Further, Mr. Kogan provided a declaration in conjunction with DC’s Opposition  
28 to this motion, in which he admitted that DC knew of Defendant’s activities, but said

1 that it was only in conjunction with Defendant's manufacture of a "Batboat." Mr.  
2 Kogan claimed that (despite the fact Mr. Towle had a website advertising his  
3 services) DC did not know Defendant was selling Batmobiles until "some time  
4 later."<sup>10</sup> (Kogan Decl. ¶2).

6 Certainly, if "some time later" was less than three years prior to the filing of the  
7 complaint, he would have said so. The fact that Mr. Kogan doesn't give a date again  
8 shows that DC knew about Mr. Towle's activities more than three years prior to  
9 filing. But even if DC did not have actual knowledge (although clearly they did),  
10 that is not the question. The test is whether DC "knew or should have known" of  
11 Defendant's activities. *Miller v. Glenn Miller Productions, Inc.*, 454 F.3d 975, 980  
12 (9th Cir. 2006).

16 Here, the telephone call from Ms. Nelson regarding Towle's manufacturing  
17 activities, as well as Mr. Kogan's admission that they knew Towle was making a  
18 "Batboat" certainly show that they should have known of Defendant's alleged  
19 infringing activities at five years and as much as eight years before filing suit and  
20 thus laches applies.  
21

23 However, in a case such as this, where the undisputed facts show that the head of  
24 IP enforcement for Warner Brothers called Mr. Towle to speak to him about his  
25 Batmobiles and did not tell him to stop his activities or make any statement that  
26

27  
28 <sup>10</sup> Although it should be noted that Mr. Kogan does not say that he knows this of his  
personal knowledge, but only on information and belief.

1 Plaintiff believed Mr. Towle was acting inappropriately, then we have gone way  
 2 beyond laches and are verging on something closer to implied consent<sup>11</sup>. As  
 3 Defendant has agreed to stop using DC marks in connection with his automobiles,  
 4 the sole question on the trademark issue is whether DC should be entitled to  
 5 monetary damages as well. In this case, where DC knew about Defendant's  
 6 activities for at least eight years before filing suit, and where they spoke to him, but  
 7 did not tell him to stop, and where they never even sent him a cease and desist letter  
 8 prior to filing the lawsuit, and where DC has not presented any evidence of damages  
 9 from Defendant's use of the trademarks, equity clearly favors that there not be any  
 10 damages awarded to DC on the trademark claim.  
 11

12  
 13  
 14 **VIII. THERE IS NO ADMISSIBLE EVIDENCE THAT THE PARTS OF**  
 15 **THE BATMOBILE ARE SEPARABLE AND/OR NON-FUNCTIONAL**  
 16

17 In Defendant's Motion for Partial Summary Judgement, he included a  
 18 declaration laying out why certain parts of the Batmobiles were non-separable and/or  
 19 functional. Defendant, being a car designer and manufacturer with over 30 years  
 20 experience in the field can easily qualify as an expert on these issues. Defendant was  
 21 also designated as an expert on these issues on November 28, 2012 (See Ex. 43).  
 22  
 23 DC, on the other hand, did not counter-designate an expert to speak about the  
 24

25  
 26 <sup>11</sup> Defendant is aware that the facts set forth above are insufficient to support a legal  
 27 defense of implied consent as there was no outright statement from Ms. Nelson  
 28 agreeing to his activities. Defendant is arguing that, after receiving a phone call  
 from the head of IP Enforcement at Warner Brothers, and not being told to stop, that  
 something more than laches applies. Call it "Laches Plus."

1 separability or functionality of the various parts of the Batmobile. Therefore, DC  
 2 may not include a witness at trial (or in connection with these motions) to testify as  
 3 to whether the items such as the fenders, rear-fins, and intake grill are functional or  
 4 not. Accordingly, DC's self-serving statements that these parts of the automobile are  
 5 separable or non-functional should be disregarded.  
 6  
 7

8 **VIII. THERE IS NO EVIDENCE THAT THE BATMOBILE IS A**  
 9 **"CHARACTER" IN THE BATMAN COMICS**

10 DC also attempts to argue that the Batmobile should be considered a character  
 11 based on the test set forth in *Halicki Films LLC v. Sanderson Sales & Mktg.* 547 F.3d  
 12 1213 (9<sup>th</sup> Cir. 2008). DC's reliance on *Halicki* seems to be based solely on the fact  
 13 that both this case and *Halicki* involve automobiles, because other than that fact,  
 14 there is no similarity. In *Halicki*, the 9<sup>th</sup> Circuit held that automobile could be entitled  
 15 to copyright protection as a character if it displayed "consistent, widely identifiable  
 16 traits." *Id* at 1225. The first thing we know about the Batmobile is that its  
 17 appearance has been anything but consistent. DC has introduced documents showing  
 18 more than a dozen design variations of the Batmobile and there are probably at least  
 19 50 additional incarnations of the Batmobile over the years.  
 20  
 21

22 Second, DC has not introduced evidence of any character traits of the  
 23 Batmobile. DC tries to argue that the gadgets in the car qualify as a character trait,  
 24 but this argument is unavailing. A character trait is a distinguishing quality or  
 25 characteristic. Including gadgets in a car is merely an idea that has no copyright  
 26 protection. Further, the evidence shows that the gadgets in the Batmobile vary  
 27  
 28

1 widely from project to project as the gadgets in the 1966 Batmobile are completely  
2 different than those listed for the 1989 Batmobile.

3  
4 Finally, the Ninth Circuit gave some weight to the fact that the  
5 automobile in *Halicki* had a name, “Eleanor” which could be the name of a person.  
6 “Batmobile” on the other hand, is not a character name, it is merely the name of the  
7 thing that Batman drives, no matter what it looks like. Just like Batplane, Batboat,  
8 Bat pole and Bat cave represent the names of other things in the Batman universe.  
9 But no one would seriously argue that the Bat Pole is a character just because it is  
10 always referred to as “Bat Pole.”  
11

12  
13 **IX. AUTOMOBILE DESIGNS ARE NOT COPYRIGHTABLE**

14 Finally, while it has been stated previously, it must be remembered that  
15 automobile designs do not qualify as sculptural works because they are “useful  
16 articles” and “useful articles” are not subject to copyright protection. 17 U.S.C. §101.  
17

18 “The design of a useful article . . . shall be considered a . . . sculptural work only  
19 if, and only to the extent that, such design incorporates pictorial, graphic, or  
20 sculptural features that can be identified separately from, and are capable of existing  
21 independently of, the utilitarian aspects of the article.” *Id.*  
22

23 “An article that is normally part of a useful article is considered a useful article.”  
24 *Id.*  
25

26 Nor does it matter that the Batmobile design may be more aesthetically  
27 satisfying or valuable than that of a less exotic looking car.  
28



1           “The House Report on the 1976 Act emphasizes that the definition of  
2           "pictorial, graphic, and sculptural works" was intended "to draw as clear a line as  
3           possible between copyrightable works of applied art and uncopyrighted works of  
4           industrial design."  
5

6           ‘Although the shape of an industrial product may be aesthetically satisfying  
7           and valuable, the Committee's intention is not to offer it copyright protection  
8           under the bill. Unless the shape of an automobile, airplane, ladies' dress, food  
9           processor, television set, or any other industrial product contains some element  
10          that, physically or conceptually, can be identified as separable from the  
11          utilitarian aspects of that article, the design would not be copyrighted under the  
12          bill. The test of separability and independence from "the utilitarian aspects of  
13          the article" does not depend upon the nature of the design, that is, even if the  
14          appearance of an article is determined by aesthetic (as opposed to functional)  
15          considerations, only elements, if any, which can be identified separately from the  
16          useful article as such are copyrightable. And, even if the three-dimensional  
17          design contains some such element (for example, a carving on the back of a chair  
18          or a floral relief design on silver flatware), copyright protection would extend  
19          only to that element, and would not cover the overall configuration of the  
20          utilitarian article as such.”  
21  
22  
23  
24  
25  
26  
27  
28



1 stop him or even inform him that they felt he was infringing on their rights, even  
2 when they had him on the phone.  
3

4 Mr. Towle took pains to make sure that he did not violate DC's design patent  
5 rights by waiting until the design patent expired in 2004 to begin selling 1989  
6 Batmobile replicas.  
7

8 During this time, DC was not harmed in any way, as DC was not in the  
9 automobile manufacturing business and so it was only by going to Mr. Towle, or  
10 Mark Racop, or one of the three or four other replicators that a person could obtain a  
11 Batmobile replica.  
12

13 The evidence plainly shows that a) Defendant did not infringe any of the  
14 copyrights referenced in the FAC, b) that DC has no evidence that it owns the  
15 copyrights (or any portion of such copyrights) in the TV show or 1989 movie and c)  
16 that Defendant has not copied any portion of the Batmobiles that would qualify as a  
17 separable, non-functional, artistic element owned by DC.  
18  
19

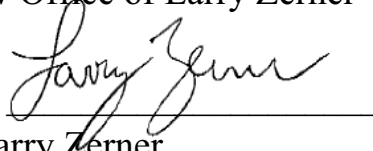
20 Furthermore, the evidence shows that the delay of at least eight years from the  
21 time DC first learned of Mr. Towle's activities, and the lack of any actual damages,  
22 precludes any award of damages on DC's trademark claim or claim of unfair  
23 competition.  
24

25 Accordingly, Defendant's motion for partial summary judgment should be  
26 granted.  
27  
28

1 Date: January 16, 2013

Law Office of Larry Zerner

2  
3 By:



4 Larry Zerner

5 Attorney for Defendant Mark Towle